



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/849,777	05/04/2001	Rodney J. Kempkes	PAT-007	9890
29129 7590 12/29/2006 MICHELLE A. ZARINELLI C/O WEST CORPORATION 11808 MIRACLE HILLS DR. MAIL STOP: W11-LEGAL OMAHA, NE 68154			EXAMINER POINVIL, FRANTZY	
			ART UNIT 3692	PAPER NUMBER
SHORTENED STATUTORY PERIOD OF RESPONSE		MAIL DATE	DELIVERY MODE	
3 MONTHS		12/29/2006	PAPER	

**Please find below and/or attached an Office communication concerning this application or proceeding.**

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

## Office Action Summary

Application No.

09/849,777

Applicant(s)

KEMPKE ET AL.

Examiner

Frantzy Poinvil

Art Unit

3692

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --  
**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 07 September 2006.
- 2a) ☒ This action is **FINAL**.                      2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 4-36 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 4-36 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)            | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)   | Paper No(s)/Mail Date. _____                                      |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date <u>6/19/06</u> .   | 6) <input type="checkbox"/> Other: _____                          |

## DETAILED ACTION

1. Applicant's arguments are incorporated in the rejection found below.

### ***Claim Rejections - 35 USC § 103***

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 4, 5, 19, 22, 31, 35 and 36 are rejected under 35 U.S.C. 103(a) as being unpatentable over Williams et al. (US Patent No. 5,815,657) in view of Christensen et al. (WO99/24921).

As per claim 4, Williams et al disclose a system and method of manufacture for network electronic authorization utilizing an authorization instrument. The system and method comprise settling a micropayment transaction between a consumer and a merchant using a prepaid instrument presented by a consumer. See the abstract and column 14, lines 22-24 and lines 63-67. The method comprises the steps of :

Receiving a request from the merchant to authorize a proposed micropayment transaction for a first value and a merchant using a prepaid instrument (column 11, lines 62-64 and column 18, lines 2-13);

Processing the request and responding to the request with an authorization decision and dispositioning the proposed micropayment transaction (column 21, line 23 to column 22, line 25 and column 31, lines 2-20).

As per claim 5, the step of receiving a request includes receiving data including at least a prepaid instrument number and a PIN associated with the prepaid instrument. See columns 21 and 22 and column 17, lines 40-45.

As per claim 31, Williams et al teach setting up a micropayment account. See columns 17 and 18. The account is activated using an activation command from a prepaid instrument issuer.

Applicant has amended the independent claims to recite "dispositioning the proposed micropayment transaction based on value units associated with a specific merchant ID, a monetary conversion rate for the value units, and a commission due the merchant for selling the value units", and argued that Williams et al failed to teach or suggest this limitation.

In response, Christensen et al disclose a micropayment system and method for settling a transaction conducted between a consumer and a merchant using a prepaid instrument presented by the consumer. See the abstract. The system and method comprises a function of :

"dispositioning the proposed micropayment transaction based on value units associated with a specific merchant ID, a monetary conversion rate for the value units, and a commission due the merchant for selling the value units". See page 23, lines 10-

18, page 24, line 1-12, page 28, line 15-27, and page 29, lines 15-30 of Christensen et al.

It would have been obvious to one of ordinary skill in the art at the time the invention was made to incorporate the teachings of Christensen et al into Williams et al in order to facilitate a consumer locating anywhere to make an appropriate payment to a merchant selling value units based on a conversion rate.

As per claims 19 and 22, it is inherent in the system of Williams et al that the step of comparing occurs in real time and includes exchanging between a unit of value used to conduct the micropayment transaction and a unit of value associated with the prepaid instrument since the micropayment is used to pay for transactions of low prices or dollar values.

As per claim 35, Williams et al teach the step of validating of a prepaid instrument presented by the consumer against the type of micropayment transaction sought by the consumer. See columns 21-22 and column 18, lines 2-13 and column 31, lines 2-20 of Williams et al.

3. Claims 20-21 are rejected under 35 U.S.C. 103(a) as being unpatentable over Williams et al (US Patent No. 5,815,657) and Christensen et al. (WO99/24921) as applied to claim 4 above in view of Katz et al. (US Patent No. 6,424,706).

The teachings of Williams et al and Christensen et al. are discussed above. Williams et al and Christensen et al. do not explicitly state the step of exchanging

Art Unit: 3692

includes converting between units of time and units of monetary currency or the step of exchanging includes converting between two different units of monetary currency.

These teachings are well known in the art. applicant is referred to the teachings of Katz et al particularly, columns 4-11 of Katz et al. It would have been obvious to one of ordinary skill in the art at the time the invention was made to incorporate the teachings Katz et al into Williams et al and Christensen et al in order to allow a user to use all of their minutes and or to use their cards worldwide thus making the system very flexible.

4. Claims 28-30 and 34 are rejected under 35 U.S.C. 103(a) as being unpatentable over Williams et al (US Patent No. 5,815,657) and Christensen et al. (WO99/24921) as applied to claim 4 above in view of Stimson et al (US Patent No. 5,721,768).

As per claims 28-29, the teachings of Williams et al and Christensen et al are discussed above. Williams et al and Christensen et al do not explicitly state the step of receiving from the merchant a request to increment the value remaining parameter. However, Williams et al teach creating an account using a prepaid instrument. As per this feature, the Examiner asserts that if the customer does not have sufficient funds to cover a particular transaction, the merchant would have indicated such to the customer and would have requested that the customer increments his prepaid instrument with enough funds to cover at least the instant financial transaction. In any event, Stimson et al disclose a prepaid card system and method allowing a user to purchase a new card or to recharge the card or increase the amount of funds in the card. See figure 3 and column 3, lines 7-21 of Stimson et al. It would have been obvious to one of ordinary

Art Unit: 3692

skill in the art at the time the invention was made to incorporate the teachings of Stimson et al in the system of Williams et al and Christensen et al in order to allow a user to constantly have sufficient funds in their prepaid instrument in order to assure payment and/or approval of a desired transaction.

As per claim 30, the combination of Williams et al, Christensen et al and Stimson et al does not explicitly state the website is hosting a gaming application and achieving a score that reaches a predetermined threshold. As per this feature, the examiner asserts that this feature merely attributes to the type of environment or goods/services made available for purchase by a buyer using a micropayment system. Micropayment systems are usually applied to purchase low cost goods/services such as videos, papers, magazines or news articles or songs. Providing a gaming system in the payment system of Williams et al, Christensen et al and Stimson et al would have been obvious to one of ordinary skill in the art in order to provide customers with a variety of goods/services with a low purchase cost.

As per claim 34, Stimson et al teach incrementing the value remaining parameter in response to a recharge transaction executed by the consumer using one of a cash payment, a credit card charge, a paper check payment, an electronic check payment and for no charge. See columns 5 and 6 of Stimson et al.

Thus, if a second card is purchased or if a card is reloaded or recharged with sufficient funds, then the buyer would have then sent an order to the merchant and the merchant would have made another or a second request for the authorizing of the

micropayment transaction. This would have happened after the value remaining parameter is increased.

5. Claims 6, 32 and 33 are rejected under 35 U.S.C. 103(a) as being unpatentable over Williams et al (US Patent No. 5,815,657) and Christensen et al. (WO99/24921) as applied to claim 4 above in view of Kato et al (JP 11203544 A).

As per claims 6 and 32, the teachings of Williams et al and Christensen et al are discussed above. Williams et al and Christensen et al do not explicitly state the step of receiving a request includes receiving a request to authorize a proposed micropayment transaction for a first value to be settled against a prepaid calling card. Williams et al state on column 18, lines 8-12, "Basically for a payment instrument you can utilize any instrument that is evidence of membership, identity, certification or authority. For example, a card for video membership could be utilized to check out videos electronically via the Internet". Thus, using settlement against a prepaid calling card would have been obvious for one of ordinary skill in the art to use or introduce in the system of Williams et al and Christensen et al. Furthermore, using settlement against a prepaid calling card is old and well known in the art. See the teachings of Kato et al. Kato et al teach a prepaid card which can be used for both the service of a public telephone set and for gasoline supply service at a gas station. See the entire document. It would have been obvious to one of ordinary skill in the art to introduce a prepaid calling card in the system of Williams et al and Christensen et al. in order to



widen the types of payment instrument to be used therein thus providing a more flexible system capable of using many different types of cards.

As per claim 33, in the combination of Williams et al, Christensen et al and Kato et al, the activating is performed after the consumer acquires the prepaid instrument for one of a cash payment, a credit card charge, a paper check payment, an electronic check payment and for no charge. See column 36, line 63 to column 37, line 60.

6. Claims 7-12 are rejected under 35 U.S.C. 103(a) as being unpatentable over Williams et al (US Patent No. 5,815,657) and Christensen et al. (WO99/24921) as applied to claim 4 above in view of Gifford (US Patent No. 6,205,437).

As per claim 7, Williams et al state that there could be a variety of data fields and a plurality of index fields. See column 14, lines 45-59. Comparing the data from the prepaid instrument as an index into the database and comparing the value provided by the merchant to the value remaining parameter to determine whether to authorize the micropayment transaction for settlement is not explicitly stated in the combination above. As per this limitation, the Examiner asserts that whenever a payment is to be settled in a given transaction using most payment instruments, the balance on the payment instrument must be compared with the value of the instant transaction in order to determine whether to deny or approve the transaction. This feature is taught by Gifford. Incorporating this feature as taught by Gifford in the system of Williams et al, Christensen et al and Kato would have been obvious to one of ordinary skill in the art in order to determine whether to approve or deny the transaction.

7. Claims 13-18 are rejected under 35 U.S.C. 103(a) as being unpatentable over Williams et al (US Patent No. 5,815,657), Christensen et al and Gifford as applied to claim 11 above in further view of Stimson et al (US Patent No. 5,721,768).

As per claims 13 and 16-18, the teachings of Williams et al, Christensen et al. and Gifford are discussed. The combined teachings do not explicitly state after the micropayment transaction has been declined for settlement, enabling the consumer to perform one of increasing the value remaining parameter, and purchasing a second prepaid instrument having a second value remaining parameter greater than the first value.

Stimson et al disclose a prepaid card system and method allowing a user to purchase a new card or to recharge the card or increase the amount of funds in the card. See figure 3 and column 3, lines 7-21 of Stimson et al. It would have been obvious to one of ordinary skill in the art at the time the invention was made to incorporate the teachings of Stimson et al in the combination of Williams et al, Christensen et al and Gifford in order to allow a user to constantly have sufficient funds in their prepaid instrument in order to assure payment and/or approval of a desired transaction.

Thus, if a second card is purchased or if a card is reloaded or recharged with sufficient funds, then the buyer would have then sent an order to the merchant and the merchant would have made another or a second request for the authorizing of the micropayment transaction. This would have happened after the value remaining parameter is increased.

As per claims 14 and 15, in the combination of Williams et al, Christensen et al, Gifford et al and Stimson et al, the step of enabling is performed by software hosted on a merchant website or by a settlement clearinghouse.

8. Claims 23-27 are rejected under 35 U.S.C. 103(a) as being unpatentable over Williams et al (US Patent No. 5,815,657), Christensen et al and Gifford (US Patent No. 6,205,437) as applied to claims 7-12 and further in view of "MicroCreditCard to Launch Micro Payment Service" by Washingtonpost.com.

The combined teaching of Williams et al, Christensen et al and Gifford are discussed above. The combined teaching does not explicitly state an intermediary and transferring payment includes aggregating multiple micropayment transactions involving prepaid instruments issued by a given instrument issuer into a composite settlement transaction to be settled against the given instrument issuer which involves a merchant. As per these limitations, the Examiner asserts that these are characteristics of a micropayment system. These limitations are also taught by the WashingtonPost.com. See the entire document. It would have been obvious to one of ordinary skill in the art at the time the invention was made to incorporate the teachings provided by the WashingtonPost.com into the combination of Williams et al, Christensen et al and Gifford in order to decrease or minimize the associated costs of processing individual transactions.

9. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).


A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than **SIX MONTHS** from the date of this final action.

### ***Conclusion***

10. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Frantzy Poinvil whose telephone number is (571) 272-6797. The examiner can normally be reached on Monday-Thursday from 7:30AM to 6:00PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Richard Chilcot can be reached at (571) 272-6777. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.



**Frantzy Poinvil**  
**Primary Examiner**  
**Art Unit 3692**

FP  
November 6, 2006